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NEA FOR FRONT OFFICE AND IPA - WILLIAMS/SHAMPAINE/BELGRADE, NSC FOR ABRAMS/DORAN/WATERS

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TAGS: PREL PGOV KWBG KPAL KDEM IS
SUBJECT: CODELS PELOSI AND WEXLER MEET WITH ABU MAZEN

Classified By: Consul General Jake Walles, reasons 1.4 (b) and (d).

11. (C) Summary. Codels Pelosi and Wexler, including Representatives Lantos, Waxman, Rahall, Hobson, Slaughter, and Ellison, met with PA President Mahmoud Abbas (Abu Mazen) April 3. Abu Mazen said he signed the Mecca agreement to prevent a Palestinian civil war - one that Hamas might have won. He said that life with Hamas is tough, but he is determined to see Fatah win the next PLC election. Abu Mazen outlined his Presidency's three main priorities: (1) transforming Palestinian Security Forces; (2) reforming Fatah; and (3) exploring the political horizon with Israel. Abu Mazen asked the Members of Congress to try to view the political situation from his perspective and help him win support for Fatah in preparation for a victory against Hamas in the next PLC elections. End summary.

ABU MAZEN'S THREE POINT PLAN

12. (C) In a two-hour April 3 meeting with Codels Pelosi and Wexler, which also included Representatives Lantos, Waxman, Rahall, Hobson, Slaughter, and Ellison, Abu Mazen said he formed the NUG with Hamas to prevent a war between Fatah and Hamas - one that Hamas might have won. He said that he is focused on Fatah victories in future democratic elections and urged U.S. support to increase Fatah's effectiveness and popularity within the WB/G. He said the priorities for the remainder of his Presidency are: (1) transforming PA security forces (PASF), (2) reforming Fatah, and (3) exploring the political horizon with the GOI.

SHALIT, SECURITY, AND SMUGGLING

13. (C) Responding to questions from the Representatives about the release of IDF Cpl. Shalit, Abu Mazen stated that he is doing all he can to secure the soldier's release, but groups in Gaza are sabotaging his efforts. He added that he would go to Gaza April 4 to try to facilitate Shalit's release. Abu Mazen reassured the Members that he is also trying to stop Qassam rocket fire into Israel, noting that he had recently discussed these efforts with PM Olmert. Abu Mazen said PASF are also cooperating with the U.S., Egypt, and Israel on ways to stop the smuggling of arms into Gaza.

CONGRESSIONAL CONCERNS

¶4. (C) Rep. Lantos told Abu Mazen that the NUG is an "unholy alliance" between Fatah and Hamas and that its formation was a major step back for peace between Israel and the Palestinians. Lantos described the Arab Peace Initiative as an "ultimatum" and a "take it or leave it" proposal to Israel. Abu Mazen disagreed, saying that both the NUG and

the Initiative are steps toward comprehensive peace with Israel. He also explained the formulation on refugees in the Initiative, noting that any solution to this problem would have to be "agreed."

- 15. (C) Rep. Rahall asked Abu Mazen about the status of the Palestinian tax revenues withheld by Israel. Chief PLO Negotiator Sa'eb Erekat answered that the GOI has transferred USD 108 million, including USD 8 million for East Jerusalem hospitals and USD 100 million to the PA Presidency, but another USD 600 million is still being held by Israel. Erekat urged U.S. help to secure the release of the remaining tax payments, noting that customs revenues are 60 percent of the government's total revenues.
- 16. (C) Responding to Members' questions about the relative strengths of Fatah and Hamas, Abu Mazen stated that Hamas' popularity may have diminished slightly, but that Fatah has been unable to gain public support, because he cannot improve the lives of Palestinian families without financial assistance. He asked that the Members try to view the political situation from his perspective and help him win more support among his people at the expense of Hamas.

SUPPORT FOR THE SECURITY FORCES

17. (C) PLO Executive Committee member Yasser Abed Rabbo expressed dismay that U.S. support for the PASF has yet to arrive despite repeated public announcements. Rep. Lantos pointed to the PLO's history of corruption and said the PLO -- not the USG -- is directly responsible for the current state of affairs in the WB/G. Speaker Pelosi told Abu Mazen that his lack of success in dealing with Hamas has

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strengthened Syria's position in the region and Syria. Erekat urged the Members to help prevent further Syrian-Iranian-Hizballah influence in the WB/G by standing "shoulder to shoulder" with Abu Mazen and his vision for peace with Israel - "please do not abandon us," he said.

 $\P 8$. (U) Note: The CODELs did not have an opportunity to clear on the message prior to departure. End note. WALLES